

Industry Circular



Internal Revenue Service

Alcohol, Tobacco, and Firearms Division
Washington, D.C. 20224

INDUSTRY CIRCULAR NO. 70-15

April 13, 1970

UNUSED AMELIORATING AND SWEETENING
MATERIALS MAY BE ADDED SIMULTANEOUSLY
IN THE FORM OF LIQUID SUGAR OR SUGAR-
WATER SOLUTION IN THE PRODUCTION OF
HIGH ACID WINE

Proprietors of Bonded Wine Cellars
and Others Concerned:

This is to inform you that a Revenue Ruling has been approved and will soon be published authorizing the simultaneous addition in the form of liquid sugar or a sugar-water solution of the unused ameliorating material and the authorized sweetening material. The ruling will read substantially as follows:

The Director, Alcohol, Tobacco and Firearms Division has ruled that in the production of high acid wine the unused ameliorating material and the authorized sweetening material may be added simultaneously in the form of liquid sugar or a sugar-water solution.

Liquid sugar may be used in sweetening but only in quantities which will produce a volume of wine no greater than that which would have resulted from the maximum authorized use of dry sugar only. As the sweetening privilege is available only after amelioration and fermentation, no element of the sweetening material may be attributed to the ameliorating material. Accordingly, it is held that a winemaker making wine under Section 5383(b) and Section 5384 of the Internal Revenue Code may, if he so desires, add simultaneously the determined quantity of ameliorating material and of sweetening material, but only if the calculations for each are separate and independent and no element of either material is reserved for the other.

For Example: After fermentation and partial amelioration, a lot of high acid wine is entitled to a balance of 2,065 gallons of unused ameliorating material which is to be added to the wine in the form of water. The winemaker calculates that the projected total ameliorated wine, after the addition of 2,065 gallons of water, would be entitled to the addition of 24,300 pounds (the equivalent of 1,800 gallons) of dry sugar for sweetening purposes. Thus, the 2,065 gallons of unused ameliorating material (water) and the 24,300 pounds of dry sugar (1,800 gallons) may be mixed and added to the wine in the form of a 3,865 gallon water and sugar solution. Such solution may also be made by mixing a sufficient quantity of water with a quantity of liquid sugar, the sugar content of which on a dry basis is equivalent to 24,300 pounds, so that the total quantity of the solution to be added to the wine will not exceed 3,865 gallons.

Any inquiries regarding this circular should refer to its number and be addressed to the office of your Assistant Regional Commissioner (Alcohol, Tobacco and Firearms).



Harold A. Serr, Director
Alcohol, Tobacco and Firearms Division